

**\*\*\*NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER\*\*\***

**SURFACE LEASE**

STATE OF TEXAS           §  
  § *KNOW ALL MEN BY THESE PRESENTS*  
COUNTY OF TARRANT §

This lease is made and entered into this 1st day of AUGUST, 2008, by and between **Pearl Ranch Properties, L. P.**, whose address is 6208 Reddenson, Ft. Worth, TX 76132 ("Lessor") and **ENCANA OIL & GAS (USA) INC.**, a Delaware corporation, whose address is 14001 N. Dallas Parkway, Suite 1000, Dallas TX 75240 ("Lessee").

*WITNESSETH: THAT*

I.

Lessor, in consideration of Ten and No/100 Dollars (\$10.00), in hand paid, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Lessor has and does by these presents, and for the purposes hereinafter stated, hereby lease, let and demise unto the Lessee a tract of land ("Premises"), containing 0.327 acres, more or less, owned by Lessor in the T. & P. R.R. Co. A-1475 Survey, Tarrant County, Texas, and being further described on Exhibit "A" and Exhibit "B" attached hereto and made a part hereof.

TO HAVE AND TO HOLD unto Lessee, the rights described herein together with the right of ingress to and egress from the Premises along an existing 40 foot operations access easement which extends to Tiger Trail, the description and use of which are set forth and are subject to, and controlled by, the terms of the Memo Agreement regarding additional Points of Agreement re Surface Facilities, Pearl Ranch, dated December 9, 2005 by and between the parties hereto.

II.

The term of this lease shall begin as of the date noted above and shall continue for so long as Lessee uses the Premises for the purposes of operating a production facility, as stated herein. Within ninety (90) days of the termination of this lease, Lessee shall file of record a written release of this lease and shall remove all of its equipment, facilities and fixtures placed on the Premises and shall restore the surface of the Premises to its original condition insofar as possible and reasonable.

III.

Lessee shall have the right during the term hereof to construct, operate, repair, and maintain upon the Premises a production facility site, including, but not limited to, piping, valves, meters, tanks, electric engines, treaters, vessels, and other equipment and facilities deemed useful and necessary by Lessee for its exploration and production operations. No compression facilities will be allowed on the Premises without prior written approval by the Lessor.

IV.

All buildings, improvements, and equipment as described above and placed on the Premises shall be and remain the property of Lessee and can be replaced, removed, repaired, operated and maintained by Lessee in its sole discretion.

V.

Lessee agrees to construct and maintain a chain-link fence around the Premises sufficient to turn livestock and to prevent unauthorized public access. The fence shall have a gate which shall remain locked at all times.

VI.

Lessee shall at all times maintain the Premises in a good and workmanlike condition and shall remove all paper, boxes, scrap metal, trash and other debris. The Premises shall never be used as a storage facility or yard for idle equipment, inventoried materials or salvaged parts, nor as a maintenance or repair yard for vehicles or for equipment which is not then actually used on the Premises for the purposes of the lease.

VII.

Lessee shall adhere to all requirements of the state and federal environmental regulatory agencies in the maintenance of the Premises and the operation of any and all equipment placed thereon. Lessee shall be responsible for any ad valorem taxes assessed against the Premises or any taxes assessed against the facilities located on the Premises including any roll back taxes that may be assessed against the Premises.

VIII.

Lessee agrees to hold Lessor free and harmless from any and all liabilities or claims of liabilities, demands, actions, and causes of action against Lessor, by reason of or arising from injuries, including death to persons and destruction or damage to property, caused by or resulting from the negligent or other wrongful acts or omissions of Lessee, its agents or employees in the exercise, use and enjoyment of the Premises, except to the extent such injury or loss of property is caused by or resulting from any negligence or wrongful act or omission of Lessor, its agents, successors, assigns or employees.

IX.

This agreement shall be binding upon the parties hereto, their heirs, executors, administrators, legal representatives, successors and assigns.

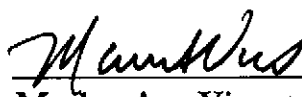
IN WITNESS WHEREOF, the undersigned have signed this instrument this 15<sup>th</sup> day of August, 2008.

**Pearl Ranch Properties, L.P.**

**ENCANA OIL & GAS (USA) INC.**

**By: Pearl Ranch Management L.L.C.  
Its: General Partner**

BY:   
John C. Baudoux, Managing Member

  
Mark A. Virant, Attorney-in-Fact LUC  
NMC  
RB

BY:   
Paula Baudoux, Managing Member

**ACKNOWLEDGEMENT**

STATE OF Texas §  
COUNTY OF Tarrant §

The foregoing instrument was acknowledged before me on this 1<sup>st</sup> day of August 2008, by JOHN C. BAUDOUX, as Managing Member of Pearl Ranch Management L.L.C., the General Partner of Pearl Ranch Properties, L.P. on behalf of said limited partnership, for the purposes, and in the capacity, therein stated.



[Signature]  
NOTARY PUBLIC, STATE OF Texas

STATE OF TEXAS §  
COUNTY OF TARRANT §

The foregoing instrument was acknowledged before me on this 1<sup>st</sup> day of August 2008, by PAULA BAUDOUX, as Managing Member of Pearl Ranch Management L.L.C., the General Partner of Pearl Ranch Properties, L.P. on behalf of said limited partnership, for the purposes, and in the capacity, therein stated.



[Signature]  
NOTARY PUBLIC, STATE OF TEXAS

State of Texas §  
County of Dallas §

This instrument was acknowledged before me this 28<sup>th</sup> day of July, 2008, by **Mark A. Virant**, as Attorney-in-Fact for **EnCana Oil & Gas (USA) Inc.**, a Delaware corporation on behalf of the corporation.

Debra A. Mitchell  
Notary Public, State of Texas



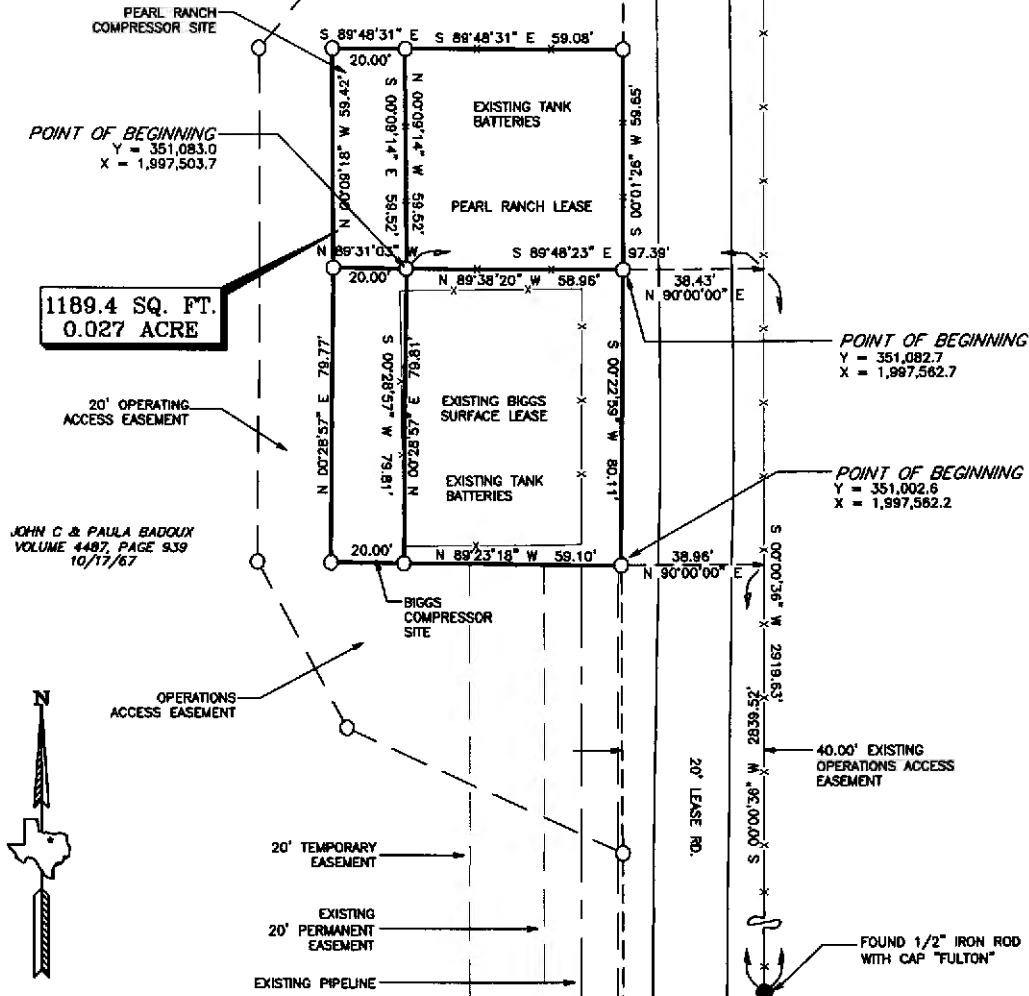
Return to:  
EnCana Oil & Gas (USA) Inc.  
14001 N. Dallas Pkwy.  
Ste 1100  
Dallas, TX 75252

# EXHIBIT A

T. & P. R.R. CO.  
A-1475

OPERATIONS ACCESS  
EASEMENT  
12900.0 SQ. FT.  
0.30 ACRE

B. LACY  
A-1907

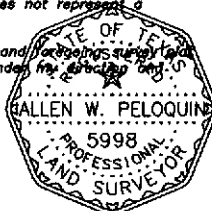


SCALE: 1" = 40 FEET

NOTE: The Basis of Bearing is Texas State Plane Coordinate System, Zone 4202, NAD 27. This survey plat was prepared from record data furnished by the client and was done without the benefit of a Title Report. Surveyor has made no investigation or search for easements or other matters of record that a Title Report would disclose and this survey does not represent a warranty of title or a guarantee of ownership.

I, Allen W. Peloquin, do hereby state that the above and foregoing survey plat was prepared from a survey made on the ground, under the supervision and supervision during the month of June 2008.

Allen W. Peloquin  
Registered Professional Land Surveyor  
State of Texas No. 5998



FRONTIER SURVEYING COMPANY

SERVICES: LAND SURVEYING/LOCATIONS/PIPELINES/MAPPING/GPS/GIS  
8811 CORPORATION PKWY, STE. 200  
PHONE: (817) 560-4500  
www.frontiersurveying.com

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ENCANA  
PEARL RANCH

SURFACE LEASE

Situated in the  
JOHN C & PAULA BADOUX  
TRACT  
T. & P. R.R. CO. SURVEY, A-1475

Johnson County, Texas

Completion Date: 7-9-08	File Name: PEARL RANCH
Scale: 1"=40'	Surveyed by: DC
Drawn by: TR	Checked by: AS

PLOT DATE: 7-9-08 2:45 PM

JOB# 0705028

EXHIBIT "B"  
20'X60' SURFACE LEASE  
PEARL RANCH COMPRESSOR SITE

JOHN C. & PAULA BADOUX  
T. & P. R.R. CO. SURVEY  
ABSTRACT NO. 1475  
JOHNSON COUNTY, TEXAS

BEING all that existing certain .027 acre of land, situated in the T. & P. R.R. CO. Survey, Abstract No. 1475, Johnson County, Texas, and being a part of a certain tract of land described by deed to John C. & Paula Badoux recorded in Volume 4487, Page 939 of the Deed Records of Johnson County, Texas;

**BEGINNING** at a point (Y=351,083.0 X=1,997,503.7) from which an ½" found iron rod bears South 89 degrees 48 minutes 23 seconds East a distance of 97.39 feet and South 00 degrees 00 minutes 36 seconds West 2919.63 feet;

THENCE: North 89 degrees 31 minutes 03 seconds West, a distance of 20.00 feet to a point for a corner;

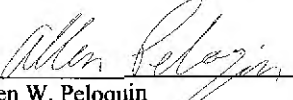
THENCE: North 00 degrees 09 minutes 18 seconds West, a distance of 59.42 feet to a point for a corner;

THENCE: South 89 degrees 48 minutes 31 seconds East, a distance of 20.00 feet to a point for a corner;

THENCE: South 00 degrees 09 minutes 14 seconds East, a distance of 59.52 feet to the **PLACE OF BEGINNING** (Y=351,083.0 X=1,997,503.7). Said surface lease containing 1189.4 sq. feet(0.027 acre).

NOTE: This description was prepared from record data furnished by the client and was done without the benefit of a Title Report. Surveyor has made no investigation or search for easements or other matters of record that a Title Report would disclose and this survey does not represent a warranty of title or a guarantee of ownership.

I, Allen W. Peloquin, do hereby state that the above and foregoing description was prepared from a survey made on the ground, under my direction and supervision during the month of July 2008.

  
Allen W. Peloquin  
Registered Professional Land Surveyor  
State of Texas No. 5998  
July 10, 2008  
Job No. 0705028

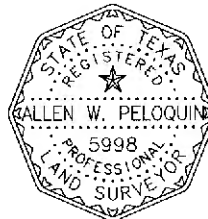


EXHIBIT "B"  
OPERATIONS ACCESS EASEMENT

JOHN C. & PAULA BADOUX  
T. & P. R.R. CO. SURVEY  
ABSTRACT NO. 1475  
JOHNSON COUNTY, TEXAS

BEING all that existing certain .30 acre of land, situated in the T. & P. R.R. CO. Survey, Abstract No. 1475, Johnson County, Texas, and being a part of a certain tract of land described by deed to John C. & Paula Badoux recorded in Volume 4487, Page 939 of the Deed Records of Johnson County, Texas;

**BEGINNING** at a point (Y=350,924.5 X=1,997,562.5) from which an 1/2" found iron rod bears South 90 degrees 00 minutes 00 seconds East a distance of 37.41 feet and South 00 degrees 00 minutes 36 seconds West 2761.45 feet;

THENCE: North 65 degrees 35 minutes 09 seconds West, a distance of 82.47 feet to a point for a corner;

THENCE: North 28 degrees 22 minutes 33 seconds West, a distance of 51.20 feet to a point for a corner;

THENCE: North 00 degrees 12 minutes 37 seconds East, a distance of 139.04 feet to a point for a corner;

THENCE: North 40 degrees 02 minutes 35 seconds East, a distance of 37.20 feet to a point for a corner;

THENCE: North 48 degrees 49 minutes 36 seconds East, a distance of 99.93 feet to a point for a corner;

THENCE: South 00 degrees 00 minutes 35 seconds West, a distance of 94.60 feet to a point for a corner;

THENCE: North 89 degrees 48 minutes 31 seconds West, a distance of 79.14 feet to a point for a corner;


THENCE: South 00 degrees 12 minutes 37 seconds West, a distance of 139.18 feet to a point for a corner;

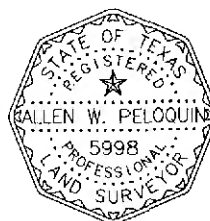
THENCE: South 89 degrees 23 minutes 18 seconds East, a distance of 79.10 feet to a point for a corner;

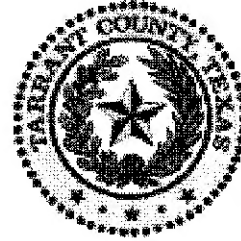
THENCE: South 00 degrees 14 minutes 39 seconds East, a distance of 78.07 feet to the **PLACE OF BEGINNING** (Y=350,924.5 X=1,997,562.5). Said surface lease containing 12900.00 sq. feet (0.30 acre).

NOTE: This description was prepared from record data furnished by the client and was done without the benefit of a Title Report. Surveyor has made no investigation or search for easements or other matters of record that a Title Report would disclose and this survey does not represent a warranty of title or a guarantee of ownership.

I, Allen W. Peloquin, do hereby state that the above and foregoing description was prepared from a survey made on the ground, under my direction and supervision during the month of July 2008.

  
Allen W. Peloquin  
Registered Professional Land Surveyor  
State of Texas No. 5998  
July 10, 2008  
Job No. 0705028





ENCANA OIL & GAS INC  
14001 N DALLAS PKWY # 1100

DALLAS TX 75252

Submitter: RUSSELL WILSON

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SUZANNE HENDERSON  
TARRANT COUNTY CLERK  
TARRANT COUNTY COURTHOUSE  
100 WEST WEATHERFORD  
FORT WORTH, TX 76196-0401

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration 08/06/2008 11:44 AM  
Instrument #: D208306865  
LSE 7 PGS \$36.00

By: \_\_\_\_\_



**D208306865**

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE  
OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR  
RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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